

Isle of Wight Independent Councillors Alternative Budget Proposal

Full Council 29th February 2012

Fairness, Reinvestment and Innovation

- ✓ Islandwide Residents Car Parking Permit
- ✓ Adult Social Care and Community Wellbeing Reinvestment
- ✓ Unoccupied Buildings Entrepreneurs Scheme
- ✓ Cycleway and Footpath Improvement Scheme
- ✓ Youth Sports Club Premises Grants
- ✓ Lifeguards For Main Seaside Resorts
- ✓ Libraries Support and Redevelopment
- ✓ Youth Service Reinvestment
- ✓ Tourist Information Service.
- ✓ Dog Fouling and Littering Prevention and Enforcement
- ✓ Public Toilet Expansion Scheme
- ✓ TetraPak Recycling
- ✓ Community Projects.
- ✓ Town and Parish Council Support Scheme

Revenue Budget

The following table should be read in conjunction with the table of recommendations for each directorate.

Revenue Expenditure Savings	£000's	£000's
Directorate	RG Prop	IG Prop
Economy and Environment E1 – E26	769	654
Procurement and Contract management P1	127	127
Community Well Being and Social Care CWB1 – CWB	950	474
Education Services ED1 –ED2	350	350
Corporate Services COR 1 – COR	1,639	1,813
Total Proposed Savings	3,835	3,418

		RG Proposals	IND Group Proposals
Ref	Proposal	2012/13 (£000s)	2012/14 (£000s)
E1	Economic Development We support the introduction of annual business surveys to inform the local economic assessment following the end of the existing quarterly contract in March 2012, thereby delivering an annual saving of £22,000.	22	22
E2	Tourist Information Centres We are forced to accept these savings, which relate to the costs of managing the properties left vacant as a result of the imprudent decision to get rid of the Island's tourist information centres. It is proposed that a grant of £21000 is made to fund TIC facilities at 7 key locations around the Island - see E25.	24	24
E3	Wight in Bloom - It is proposed to provide £4000 of annual funding for this event, which provides colour and enjoyment to residents and tourists all over the island. We feel that in times such as these this is an important activity that helps to bolster the spirit of our Island community and the Isle of Wight Council should not reduce its funding.	0	0
E4	A Happier Island We support a full recharge for the estuaries project costs to the grants received for it thus saving £18,000 from the revenue budget. We do not support the proposed cuts to other projects, listed below, which we feel are important to the continued vitality and vibrancy of our Island way of life, community enjoyment and our tourism based economy. Continue to fully fund paddling pools: £7k Maintain responsibility for bowling green maintenance: £7k Continue to rent depot £4k	36	18

E5	Island Games The medium term financial plan contains an allocation for the hosting of the International Island Games in 2011. This provision is no longer required. However the annual grant to the Island Games Association to support its organisation of the team to attend each Games, will be maintained at £5K.	102	100
E6	West Wight Sports Centre Trust The Council has been reviewing the amount of grant made available to support this facility. Given the work that is currently taking place to develop a hub of community activity, including the proposed new build primary school, it is not recommended at this stage to reduce the amount of grant currently made available. However a possible £25k reduction in grant in 2013/14 is still highlighted. We see this as aspirational and until the savings are better understood we will not commit to their inclusion in future years budgets.	0	0
E7	Combining Street Based Functions Work is on-going to align the work of the Environment Officers, Dog Wardens and the Parks and Gardens Inspectors in order to reduce overlap, management costs and improve efficiency. We propose the retention of all staff to allow it to focus on and improve all priority areas of activity. In addition we propose to divert the saving from Civil Enforcement E12 to boost the budget for dog wardens with the objective of tackling the dog-fouling problem.	65	0
E8	Bereavement Services Income We reject the proposed increase of 2.5% to the fees and charges for these services in addition to the inflationary increase.	20	0
E9	Beach Huts Income The outcome of the independent review of the charges for beach hut licences determined a rate of £250 for 2011/12 to be increase in line with RPI for the following 3 years. This takes account of the additional income to be generated by this increase. Also Income from current year not accounted for therefore double the savings	20	40

E10	Ventnor Winter Gardens The current provision for a contribution towards the management costs is no longer required following the decision to dispose of the building. Half of the allocation is to be retained in 2012/13 to meet any costs associated with the disposal.	10	10
E11	Medina Leisure Centre The Council is now solely responsible for the costs of the operation of the leisure centre which is hired from it by the Island Innovation Trust (under a new dual use agreement) for the delivery of the PE curriculum at Medina College. This represents the expected increase in income after additional costs have been taken into account of these new arrangements.	30	30
E12	Car Park Management: A current review of the working arrangements for the Civil Enforcement Officers will improve their flexibility and enable better targeting of resources to the busiest periods. This will lead to a reduction in 2 FTE posts by not filling current vacancies. We propose that these savings are reinvested in Street Based functions to boost the budget for dog wardens with the objective of tackling the dog fouling problem, see E7.	35	0
E13	Car Parking – Removal of Existing Concessions Consideration was given to removing a number of existing concessions that exist in different parts of the Island. It is not proposed to bring forward any such changes at this time, although this may be subject to change, depending on the outcomes of the budget consultation process and further deliberations.	0	0
E14	Car Parking – Reduction in charges It is proposed to freeze car park charges for the fourth year.	0	0
E15	Revised Refuse Collection Arrangements We welcome cost savings of approximately £100,000 resulting from the changes made to refuse collection arrangements through the reduction in waste to landfill and thereby the reduction in landfill tax.	100	100

E16	Review of Regulatory Services A review of regulatory services is underway to ensure an appropriate level of service is delivered for the Island. It is estimated that this review will result in savings of £190k per annum. We are concerned that this could result in further staffing reductions that will impact on the service provided in vital areas such as Environmental Health, Planning Enforcement and Trading Standards. We therefore support these proposed savings on the conditions that they do not result in a lesser service being provided by these departments. We await the detailed proposals. Please see our proposals under E7 and E12.	190	190
E17	Joint Working with Southampton City Council We support joint working with Southampton City Council In the area of Environment, Planning, and building control to achieve savings of £100k during the 2012/13 financial year, where it does not impact on the service delivered to island residents. We will support this on the condition that service levels are maintained.	100	100
E18	Fire and Rescue Service Post We support a £50,000 saving through the reduction of a single post within the Fire and Rescue Service that has been identified as unnecessary, although we question why the post holder was employed at the expense of the local authority if the post was considered unnecessary.	50	50
E19	Public Rights of Way Footpath and cycleway maintenance and development is a priority and we propose keeping this department intact; utilising all means to add to and improve our public rights of way network. This links to the £500,000 of additional prudential borrowing outlined in our proposed capital expenditure programme.	30	0
E20	Enhanced cross service cooperation between IWFRS and HM Coastguard We propose a saving of £32,000 should be made through enhanced cross service cooperation between IWFRS and HM Coastguard to make better use of Department of Transport funded mud and technical rope rescue facilities already in place on the Island.	0	32

E21	<p>Beach Hut Scheme - Supply of 50 new beach huts 10 for sale and 40 for rent</p> <p>We propose the creation of 50 new beach huts, 10 of which are to be sold on outset to fund the programme. This should meet the cost of all 50 beach huts. 40 will then be rented to generate additional revenue for the Council. If this is successful then the scheme can be expanded bringing further revenue in future years.</p>	0	16
E22	<p>Unoccupied Buildings Entrepreneurs Scheme (business rates saved)</p> <p>Buildings still owned by the Isle of Wight Council remain unoccupied following the recent cuts to services. We propose that these are offered to businesses to occupy, initially rent free. These new tenants would be responsible for the business rates that the Isle of Wight Council currently pay as well as maintenance and heating which are required to keep these building in a decent state of repair. We estimate that the business rates for these buildings totals approximately £36,000 with other costs in addition. We are proposing a saving here of £18,000 initially to reflect a possible 50% uptake.</p>	0	18
E23	<p>A fully funded Lifeguard Service</p> <p>We propose the introduction of funding to increase the current £25,000 budget to £120,000 to provide a fully funded RNLI sponsored lifeguard service for our main seaside resort beaches of Ventnor, Shanklin, Sandown and Ryde. This would enable these resorts to offer a safer, modern and attractive family seaside environment that attracts more tourists to the Island and boost our economy. Lifeguards are a preventative measure that the RNLI consider important in contributing to the safety and wellbeing of seaside resort users, tourists and locals alike. We should be aware that many children use the beaches unaccompanied during the summer months. They have been taught to rely on the lifeguard service in the event of an emergency on the beach and its removal has had a detrimental effect on their safety. Lifeguards prevent deaths and injuries that cost our economy millions of pounds each year. It is estimated by the Department of Transport that each coastal fatality costs the UK £1.8m which helps justify the cost of this service which we believe is vital to our seaside tourism offering.</p>	0	-95

E24	Libraries Improvement and Expansion Boost Libraries Budget to improve the service offering to residents, particularly those without access to ICT facilities at home, extending opening hours where required and restoring libraries as a public service facilitating community learning, access to information and the promotion of reading for all regardless of their, age, social class or ability to pay.	0	-186
E25	Footpath and Cycleway Repairs and renewals We have proposed additional new borrowing to facilitate the repair, renewal and expansion of our cycleway and footpath network, which has deteriorated significantly under the current administration. In particular we want to rebuild access to beaches currently inaccessible to the public as a result of landslip and the neglect of the existing wooden steep structures. In some cases these paths are the only exit routes from remote lengths of our coastline and this presents a barrier to many tourist and resident walkers who would otherwise be able to enjoy these remoter beaches, current cut off due to lack of access. We regard this as an important project to support and enhance the excellent Isle of Wight Walking Festival.	0	0
E26	Car Parking Permits We propose introduction of £200 per annum Isle of Wight residents car parking permits (£60 for a 3 month permit and £110 for a six month permit) for use in all Island car parks. Last year we estimated that this measure would boost the use of Council car parks, reduce on street parking and therefore congestion in our streets and save the Authority in excess of £65,000 through increased compliance and usage. The financial effect of the removal of car parking permits was disastrous in our view and contributed to the £1m shortfall experienced in this area. We conclude that the likely effect of this proposal would be to produce net savings of £250,000 in the 2012/13 year.	0	250
	Provision for slippage on staffing changes	-65	-65
	Total proposed Savings	769	654

		RG Proposals	IND Group Proposals
Ref	Proposal	2012/13 £'000	2012/14 £'001
CWB1	<p>Establishing an integrated NHS / Adult Social Care crisis response and reablement service</p> <p>There is firm evidence that intervening promptly when people are in crisis, maintaining them in or returning them to their homes and providing an effective reablement service both provides better outcomes for the individual and reduces costs to NHS and adult social care services. We support an integrated system that facilitates working across all aspects of health services, adult social care and Wightcare, to develop a model that can respond to individuals' needs for reablement, on the condition that this does not lead to a reduction in the financial support offered to the individual. The following are the budgets that can be cut as a result of better intervention by the new integrated system:</p> <p>Intermediate care contract (PCT) £127k Mental Health Management contract (PCT) £148k Other unutilised Mental Health budgets £75k Recall Club contract for management (PCT) £40k Meals on Wheels – removal of subsidy £144k (following changes to charging policy in April 2011) Total £534k</p>	534	534
CWB2	<p>Children's Centres efficiencies Reinvested</p> <p>Review of centrally controlled project management costs that were previously spent on activities through Children's Centres. All current locations are due to remain open. Any savings are to be reinvested in this important community facility.</p>	68	0

CWB3	<p>Community Safety Management Costs (Street-based services and staff)</p> <p>We broadly support the integration of the Environment Officers and Dog Wardens under one management structure. It is clear that engagement with the police, registered social landlords and the Council's community support officer function is key to avoiding duplication and to ensuring that the delivery of the street based services by all organisations is co-operative and beneficial to residents, visitors and businesses. It is also vital that this invaluable service is not denied the funding that it needs to develop an effective service. We therefore propose the reinvestment of all savings in Street Based Services, particularly to try and further the objective of reducing dog fouling and littering.</p>	45	0
CWB4	<p>We propose reinvestment to improve the support and care of vulnerable people and reject the ruling group's assertion that important caring facilities such as Westminster House should become trading facilities.</p> <p>As a result of public outcry and protests against the Ruling Group's proposals to axe the provision of adult learning disability and residential respite care facilities in Newport, the Cabinet made a decision to retain Westminster House. The staff team have been forced to engage in a cost cutting exercise and are looking at ways to offer additional services that will generate income so that at a point in the future they can leave the Council confident in their ability to be a financially viable trading organisation that does not require an on-going subsidy from the council. We do not accept that facilities such as Westminster House should be "trading organisations" forced to place their financial viability above the needs of their clients. We therefore reject these savings as inappropriate and propose that any money saved is reinvested directly into the provision of further support for Westminster House and other similar facilities. We also propose that the £20k savings from more effective commissioning of domiciliary care services to support families with disabled children is used to ensure that there is no reduction in the level of financial support for families with disabled children.</p>	150	0

CWB5	Establishing direct payments as the principal means by which adult social care recipients are supported should not lead to a reduction in the level of support available to vulnerable and disadvantaged people.		
	We therefore propose the retention of any savings generated through the establishment of direct payments, to improve support and care of vulnerable people.	25	0
CWB6	<p>Implementation of the Youth Services Review</p> <p>The Youth Services review is now completed and implementation is beginning. Staffing levels are being reduced as are the number of buildings provided for this important service. The ruling group have determined that there will now be a focus only on meeting the council's statutory responsibilities. The reduced Youth & Community Service is expected to generate savings of £128,000 in 2012-13 and on-going.</p> <p>We propose that this money is reinvested to improve, not reduce, the council's contribution to the lives of young people. This includes providing support to young people aged 11 to 13 whose extra curricular opportunities have been adversely affected by the schools reorganisation and for whom there is no statutory youth service provision.</p> <p>We would envisage this reinvestment assisting schools in making provision for 11 to 14 year olds who parents are unable to deliver and collect their children from after school activities where no practical public transport solution exists.</p>	128	0

CWB7	<p>NHS preventative funding</p> <p>The operating framework for the NHS includes funding to support reablement and preventative work that should lead to reduced costs of adult social care support. We are told that this should deliver savings in 2013/14, which are currently assessed as some £400k. Whilst we would welcome these savings and would see them as an opportunity to invest in other areas of adult social care, we propose the careful monitoring of this theoretical saving, which is currently aspirational and untested. We would not at this point commit the budgeting process to this saving until more is understood of the actual effect of the proposed preventative measures.</p>	0	0
CWB8	<p>Town & Parish Council Support</p> <p>We propose the creation of a Town and Parish Council Link Team, employing one full time specialist and one modern day apprentice. The need to engage with and support the Town & Parish Councils has never been more pressing. The Localism Act and increasing reliance on Town and Parish Councils in the determination and delivery of local service make it all the more important that the Isle of Wight Council is able to ensure that cooperation is fostered between the Unitary Authority and the Town and Parish Councils.</p>	0	-40
CWB9	<p>Provide permits and assistance for voluntary sector car drivers for licencing and parking</p> <p>Many individuals are prepared to give up their time and in some cases money to provide voluntary services such as driving which can mean that they are forced to provide additional insurances and obtain licences to enable them to volunteer. We propose establishing an on-going volunteer support fund that can meet these expenses; provide parking permits where required and assist with the cost of licencing to prevent volunteers from suffering financially, or being deterred from volunteering.</p>	0	-20
	Total Proposed Savings	950	474

		RG Proposals	IG Proposals
Ref	Service	2012/13	2012/14
		£'000	£'000
	School 'challenge and support' statutory activity and shared education psychology statutory function		
ED1	We accept the identified saving of £250k (£200k in 2012/13) saving as a result of joint work with Southampton City Council which we acknowledge reflects the growing autonomy of schools to develop their own school, curriculum and staff development programmes, either in partnership with each other or with other schools from other local authorities. We propose that this joint working is carefully monitored to ensure that school 'challenge and support' statutory activity and shared education psychology statutory functions do not suffer as a result.	200	200
	Reduction in local authority responsibility with regard to providing independent information and guidance to students in secondary schools and colleges		
ED2	£250k (£150K in 2012/13) saving as a result of reorganisation and the Isle of Wight council's reduced responsibility for careers advice and information in schools. The authority will continue to meet its statutory duties with regard to those students leaving school who have a statement of special educational needs and will also provide support to those who leave school with limited qualifications and are not in education, employment or training.	150	150
	Total proposed Savings	350	350

		RG Proposals	IG Proposals
		2012/13 £'000	2012/13 £'000
P1	Procurement and Contract Management Savings Savings to be delivered through reduction in contracting activity, particularly in the corporate / facilities management areas. Further savings will be driven from existing contracts and efficiencies in future procurements.	127	127
	Total proposed Savings	127	127

		RG Proposals	IG Proposals
Ref	Proposal	2012/13 £'000	2013/14 £'000
Cor1	<p>Terms and Conditions review</p> <p>We support the comprehensive review of terms and conditions but would be very reluctant to support any pay cuts or redundancies that might follow amongst those employed at SCP (Spinal Column Point) 30 (£25,472) and below. We of course agree that the Council should be protected from equal pay challenge by delivering more modern and rational terms and conditions. The Council spends some £3.6m per annum on allowances, plus rates and enhancements to basic pay. The proposals to rationalise these terms and conditions would deliver an estimated £514,000 savings which is a reduction of some 14.3%.</p>	514	514
Cor2	<p>Treasury Management savings</p> <p>Interest rates are still low and short-term PWLB rates (1-2years) are some 1.5%. The strategy is therefore to avoid external loans where possible, and when there is a need later in the financial year, to borrow externally to borrow short-term initially. Surplus cash is being used to fund capital spend and then lent out on a short-term basis. The interest earned is very low only some 0.6%. This means that at the time we do have to borrow externally longer-term then the additional interest costs will be some 3.7% or more (4.3%-0.6%)</p> <p>The savings that can be made in 2012/13 and 2013/14 on treasury management are therefore one-off and cannot be relied upon on an on-going basis. If capital spend is reduced then the savings would be recurring.</p> <p>The capital financing assumptions are set out in Appendix 4 of the . This shows a projected one-off saving in 2012/13 of £ 986K and £1.286m in 2013/14.</p>	1,075	1,075

Cor3	Staffing control and management Strict staffing controls and management of vacancies, agency staff etc are in place. Significant vacancy savings were achieved in 2010/11 and are being achieved in 2011/12. We propose no further staffing savings for 2012/13 and regard the proposed ruling group saving across the Council of £435k for 2013/14 as purely aspirational. We would expect savings to be achieved without further compulsory redundancies and through the implementation of more efficient working practices and reductions in departmental administrative expenditure.	0	0
Cor 4	New Homes Bonus The Council will receive £484,537 for the second year of new homes bonus in respect of 2011/12 and £657,800 for the first year for 2012/13. Of this amount £50,000 will be used to meet the savings target for 2012/13. The balance will be used to meet additional costs of adult social care packages, energy costs etc. and to make provision for a fall in income from fees and charges that are above the levels previously projected in arriving at the budget gap of £7.201m	50	50
Cor 5	Member allowances We propose a 7% reduction in all member allowances including Special Responsibilities Allowance. Whilst we mostly accepted the members allowance recommendations from the Panel, we feel that members should be prepared to accept a reduction based on the Panel's recommendation in recognition of the pain being inflicted on Island residents and Isle of Wight Council employees.	0	28

<p>Cor 6</p>	<p>PFI Department</p> <p>We propose a 10% budget reduction to the net expenditure of the PFI Project Directorate which we feel has the capacity to absorb such a cut and should be able to exercise a degree of resourcefulness that will enable it to achieve this without resorting to redundancies or pay cuts for those employed at SCP (Spinal Column Point) 30 and below.</p>	<p>0</p>	<p>146</p>
	<p>Total proposed Savings</p>	<p>1,639</p>	<p>1,813</p>

Capital Budget

Capital Expenditure	£000's	£000's	Notes to the Independent Amendment
Projects	RG Prop	IG Prop	
FUNDED PROGRAMME			
Education	22291	22291	
Highways	3784	3784	
Housing Disabled Facilities Grant	736	736	
Adults	565	565	
Transformation incl County Hall	3790	3790	
Fire	150	150	
Other funded Minor capital schemes	1547	1547	Wight in bloom transferred to revenue budget
TOTAL	32863	32863	Capital Expenditure Funded Programme Remains the Same

PRUDENTIAL BORROWING -Existing Programme	£000's	£000's	Notes to the Independent Amendment
Projects	RG Prop	IG Prop	
Leisure Facilities	3806	3806	
Crematorium	1287	1287	
Strategic Assets	1199	1199	
Housing top up	974	974	
Fire top up	540	540	
Toilet upgrades	500	0	reduced prudential borrowing for existing schemes
Corporate Contingency and other minor schemes	2707	2707	
Total Existing Prudential Borrowing	11013	10513	Reduce existing scheme prudential borrowing by £500,000

PRUDENTIAL BORROWING - New bids	£000's	£000's	Notes to the Independent Amendment
Projects	RG Prop	IG Prop	
Cowes Floating Bridge	1000	1000	
Superfast Broadband Bid match funding	500	250	We propose to half the funding for this project in the light of the experience of other authorities
infrastructure costs to enable employment	500	500	
Solent Ocean Energy Centre Kick Start Funding	1073	1073	
ICT infrastructure - server/firewall replacement	1000	1000	
DFG and Repair Grant top ups	575	575	
General and Specialist Housing	1000	1000	
Public Toilet Expansion Programme - provision of mobile toilets	0	250	Mobile Composting Toilets to be deployed around the Island
Cycle Path and Footpath Improvement Scheme	0	500	Recognises priority of walking and cycling in the Eco Island objective
Total New Prudential Borrowing	5648	6148	Increased new prudential borrowing by £500,000

TOTAL PRUDENTIAL BORROWING (existing and new)	16,661	16,661	No overall increase in prudential borrowings
TOTAL CAPITAL PROGRAMME	49,524	49,524	Overall Capital Programme Remains the Same

Self Financing Projects and One Off Expenditure Outside the Capital Budget

Self Financing from Reducution in Waste Project	£000's	Notes to the Independent Amendment
Waste retained in reserves	-900	The ruling group have proposed the use of £1m from last years underspend, for the implementation of a new Waste Management Project. We propose that this funding is reduced to a more realistic level of £100,000 increasing the available savings to £900,000
Transitional Funding of TetraPak Recycling	12	To enable Tetrapak recycling to be enabled prior to the new Waste Management programme coming on stream
Self Reliance in Food and Energy Project Seed Funding	150	Project to explore land use and release for Perma Culture self sufficiency projects
Entrepreneurial Opportunity and Re-training scheme for over 50's	150	To help older people back to work
Youth and Young Peoples Sports Club Development - three £50k Match Funded Grants	150	To provide capital for sports clubs that benefit young people, and young adult males in particular, who are at risk of offending or reoffending, to help provide premises.
7 Tourist Information Centre Set up grants of £3k	21	We propose the introduction of funding to support the operation of seven tourist information facilities at key tourism locations around the Island. This will help to address the deficiencies caused by the cut to Tourist Information Centres ordered by the Ruling Group in last year's budget.

One Off Contribution to Revenue Budget	417	We propose to utilise £417,000 of reserves on a one off basis to cover the coming year's shortfall on revenue and will look for additional savings in 2013/14 to meet any ongoing shortfall. These have been identified in terms of departmental savings but we will defer bringing these forward until they are absolutely necessary.
Balance	0	

Summary

Additional Capital Requirement from reserves	0
Increased Revenue Expenditure	417
Full year effect on reserves	0